# GOVERNMENT OF INDIA
# FINANCE
# LOK SABHA

UNSTARRED QUESTION NO:2471
ANSWERED ON:11.03.2016
Banks Distributing Financial Products
Gandhi Shri Dilip Kumar Mansukhlal;Kaushik Shri Ramesh Chander

**Will the Minister of FINANCE be pleased to state:**

(a) whether PSBs are distributing financial products for social benefits at a loss to their operations;

(b) if so, the details thereof;

(c) the financial impact upon PSBs due to such schemes, bank and scheme-wise; and

(d) the steps taken by the Government in this regard?

## Answer

The Minister of State in the Ministry of Finance

(a) to (d) : With a view to increase the penetration of banking services and promoting financial inclusion, Domestic commercial banks, both in the public and private sectors, were advised to draw up Board-approved Financial Inclusion Plans (FIP). Further, banks were advised to devise FIPs congruent with their business strategy and comparative advantage to make it an integral part of their corporate plans. These plans broadly include self-set targets in respect of rural brick and mortar branches opened; business correspondents (BC) employed; coverage of unbanked villages with population above 2000 as also other unbanked villages with population below 2000 through branches/BCs/other modes; no-frill accounts opened including through BC-ICT; Kisan Credit Cards (KCC) and General Credit Cards (GCC) issued.

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